



Competitive Energy Services Weekly Market Summary

September 10 - 14, 2018

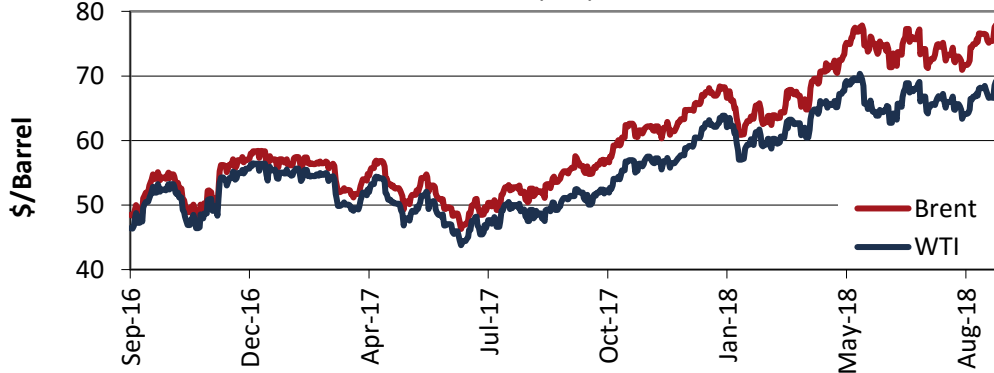
Synopsis of Last Week's Energy Markets

Crude oil rose last week as Hurricane Florence wreaked havoc on the East Coast, boosting prices especially for refined products the region. Furthermore, domestic crude oil in storage fell more than expected. Natural gas prices saw little weekly change: early-week gains were erased on Friday as Hurricane Florence made landfall in North Carolina, undercutting demand as temperatures fell and outages spread in the storm's wake.

Oil Market

Crude Oil - WTI & Brent

12-Month Forward Strips, past 24 months

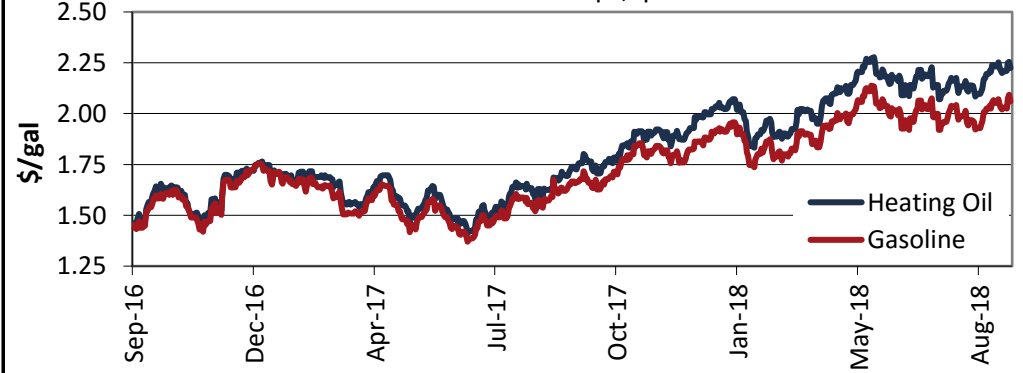


NYMEX WTI	last close	previous week	24-month high	24-month low
12 month strip, \$/bbl	\$68.00	\$63.49	\$70.12	\$43.82
date	9/14/18	1/24/18	5/21/18	6/21/17
change from last close		7.1%	-3.0%	55%

US STORAGE (in million bbls)	crude oil
domestic stocks as of 9/7/18	396
gain / loss from previous week	-5.3
comparison to historic range	within

Heating Oil & Gasoline

NYMEX 12-Month Forward Strips, past 24 months

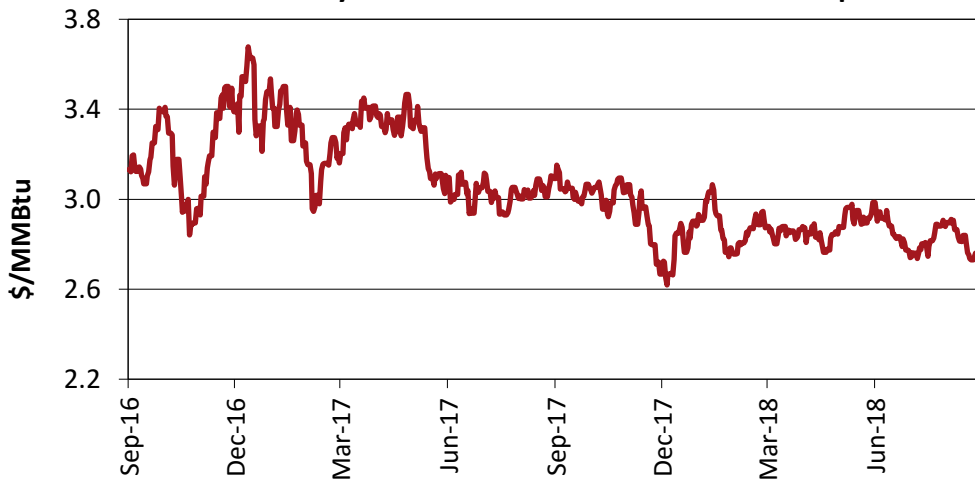


NYMEX Heating Oil	last close	previous week	24-month high	24-month low
12 month strip, \$/gal	\$2.21	\$2.06	\$2.28	\$1.41
date	9/14/18	1/24/18	5/23/18	6/21/17
change from last close		7.2%	-3%	56%

US STORAGE (in million bbls)	distillate	propane	gasoline
domestic stocks as of 9/7/18	139	75	236
gain / loss from previous week	6.2	1.2	1.3
comparison to historic range	within	within	within

Natural Gas Market

NYMEX Henry Hub Futures: 12 Month Forward Strip



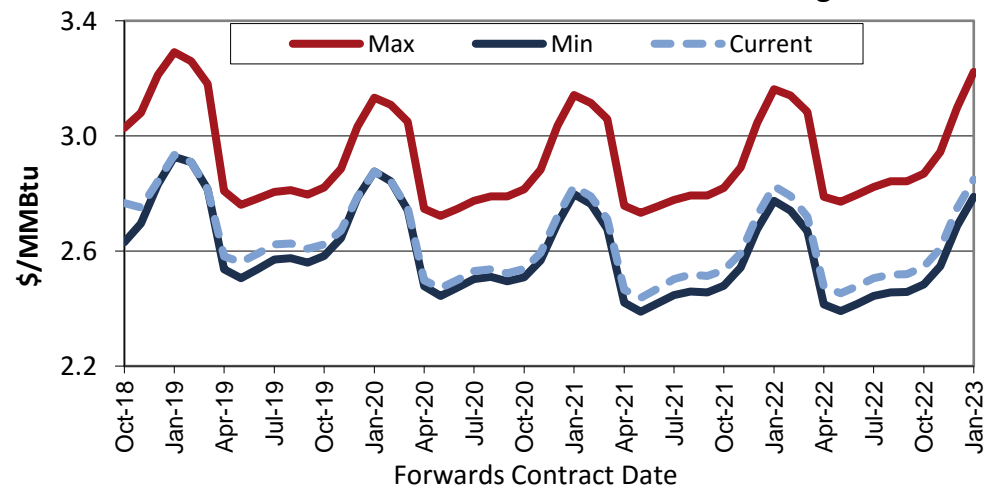
NYMEX PRICING	last close	previous week	24-month high	24-month low
12 mo. strip, \$/MMBtu	\$2.72	\$2.99	\$3.70	\$2.61
date	9/14/18	1/24/18	12/28/16	12/21/17
change from last close		-9.0%	-26%	4%

CES SCORE

12 month	85
18 month	88
24 month	89
36 month	89

The Score provides a measure of how current prices compare to their 52-week range. A score close to 0 indicates that current prices are close to their 52-week highs; a score close to 100 indicates that current prices are close to their 52-week lows.

NYMEX Natural Gas Forwards vs. 1 Year Range



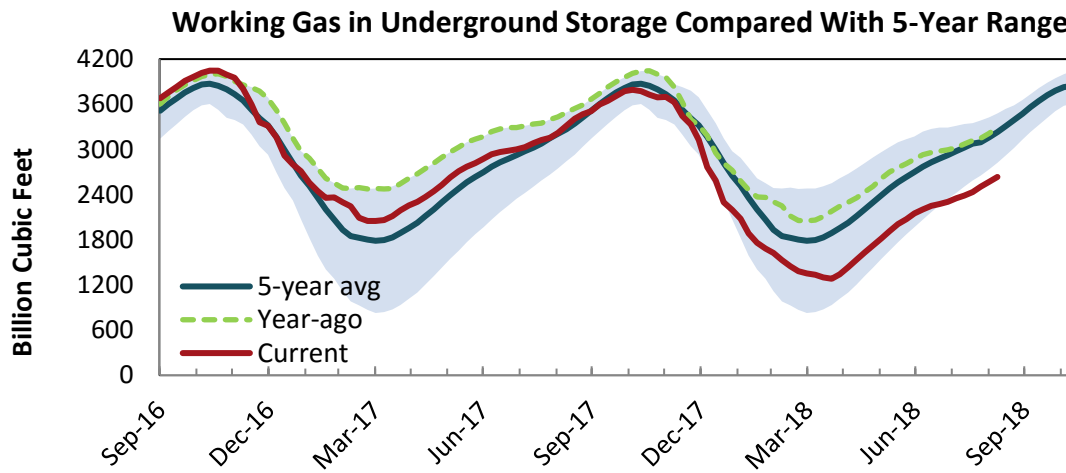
FORWARDS	12 month	18 month	24 month	36 month
strip (\$/MMBtu)	\$2.72	\$2.73	\$2.68	\$2.65

Natural gas futures are useful for both natural gas and electricity consumers because they drive electricity pricing in many U.S. markets. This chart compares the current natural gas price for each forward month on the NYMEX exchange to the highest and lowest prices for the same month over the past 12 months.



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Natural Gas Storage



This chart shows the amount of natural gas in storage at each point in time (red line) compared to the highest, lowest, and average amounts in the past 5 calendar years.

EIA Storage Data			
	date	Bcf	+/-
Previous Stock Level	8/31/18	2,567	
Most Recent Stock Level	9/7/18	2,636	
Year-ago Stock Level		3,298	-20.1%
5-Year Average Stock Level		3,232	-18.4%
Most Recent Net Change	9/7/18	69	
Year-Ago Net Change		87	-21%
5-Year Average Net Change		74	-7%

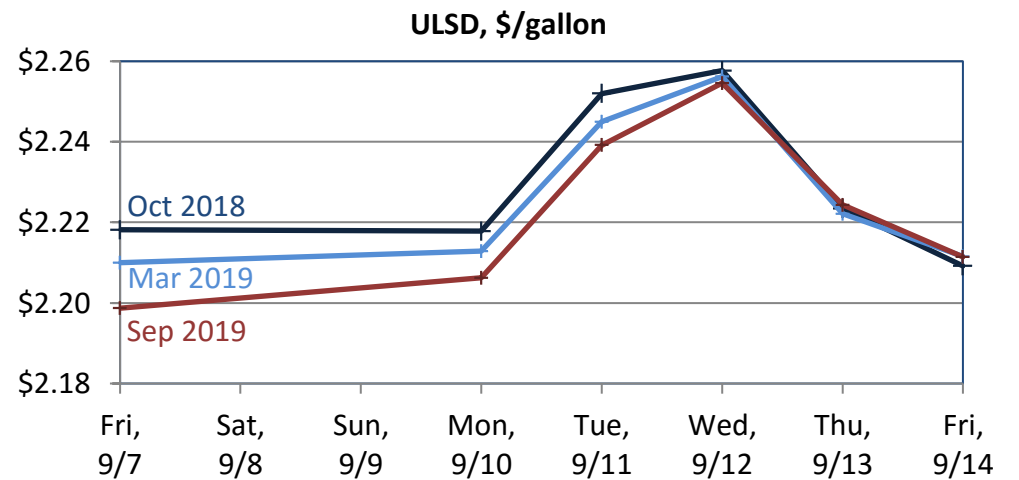
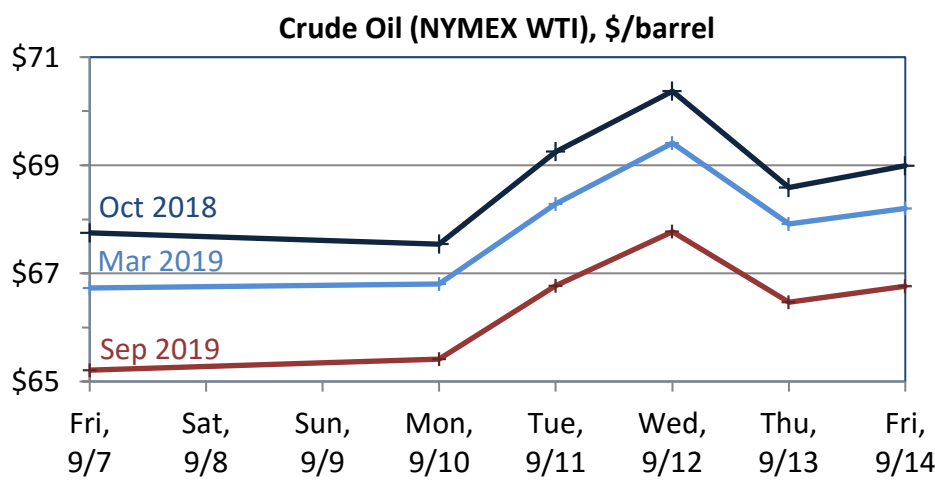
Data Source: EIA <http://tonto.eia.doe.gov/oog/info/ngs/ngs.html>

Market Assessment

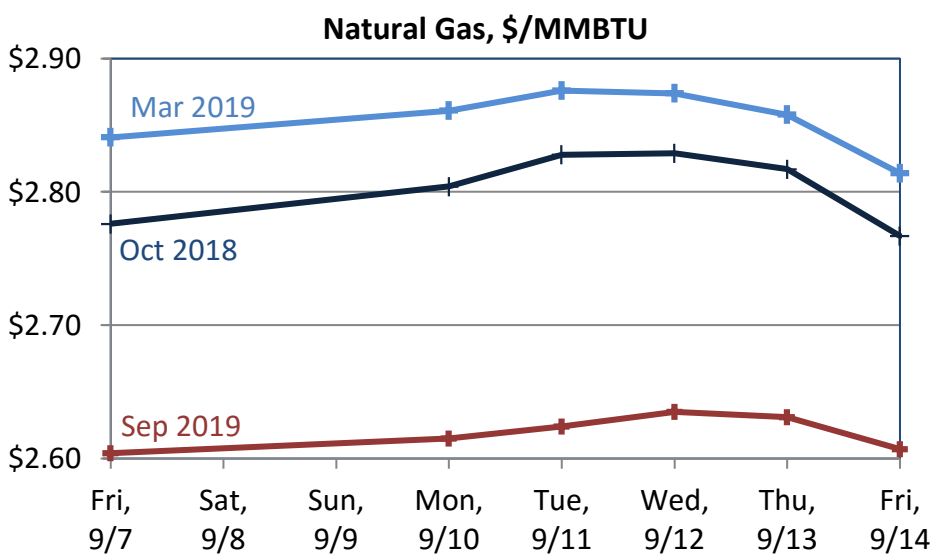
NYMEX Futures Summary Statistics

	Last Expired Contract	Exp. Date	Price	Prompt Month	Price	Most Expensive Next 12 Months	Price	Least Expensive Next 12 Months	Price	Next Winter Avg (Nov18-Mar19)
Crude oil	Sep-18	8/21/18	\$67.35	Oct-18	\$68.99	Oct-18	\$68.99	Sep-19	\$66.76	\$68.51
Heating oil	Sep-18	8/31/18	\$2.24	Oct-18	\$2.22	Jan-19	\$2.22	Jun-19	\$2.19	\$2.22
Natural gas	Sep-18	8/29/18	\$2.90	Oct-18	\$2.76	Jan-19	\$2.93	May-19	\$2.56	\$2.85

NYMEX End-of-Day Settlements



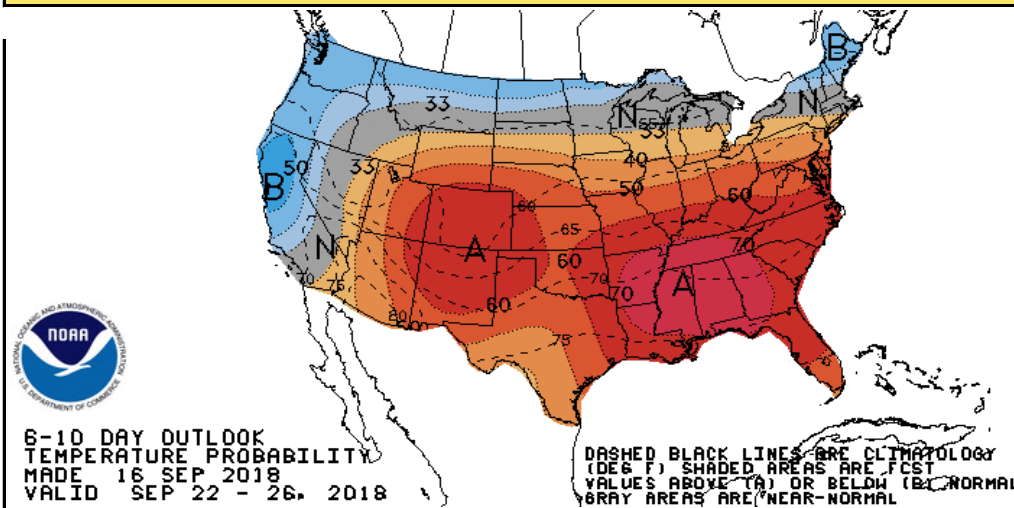
Crude oil prices climbed last week but remained just under the \$70 mark for the prompt month, where it has remained for the past 4 weeks. Prices climbed early in the week as Hurricane Florence was projected to bring severe weather and catastrophic flooding to the East Coast. Furthermore, crude oil futures beginning this fall were boosted by the US sanctions against Iran as international buyers wind down purchases ahead of the sanctions taking effect in November. Crude oil climbed to the highest point in the week on Wednesday after the EIA reported a drop in crude stocks that was about 3 times projections. Thursday saw a dip after President Trump tweeted that he did not face pressure to seek a trade deal with China in the ongoing trade war, signaling that global demand may be depressed for a longer period of time.



Natural gas prices rose early last week amid forecasts for high cooling demand across the eastern and southern U.S. This follows a trend of high demand for generation that has limited storage injections and allowed the inventory deficit to persist despite domestic output that is higher than ever. Prices retreated Friday as Hurricane Florence made landfall in North Carolina, reportedly causing more than 600,000 outages and a 25% drop in gas demand across the state, according to estimates from Platts. Rain and flooding continue in the region and are expected to suppress demand even as regional power lines are restored. October futures settled at \$7.67/MMBtu on Friday afternoon, less than a cent lower than the previous week's close.

The National Weather Service near-term forecast calls for above-normal temperatures for most the continental US, especially the Southeast. The natural gas market scores on page 1 improved from the previous week. Clients with electricity or natural gas contracts expiring in 2018 should consult with a CES representative for customized guidance.

National Weather Service Forecast



6 - 10 Day Forecast for Sep 22 - 26

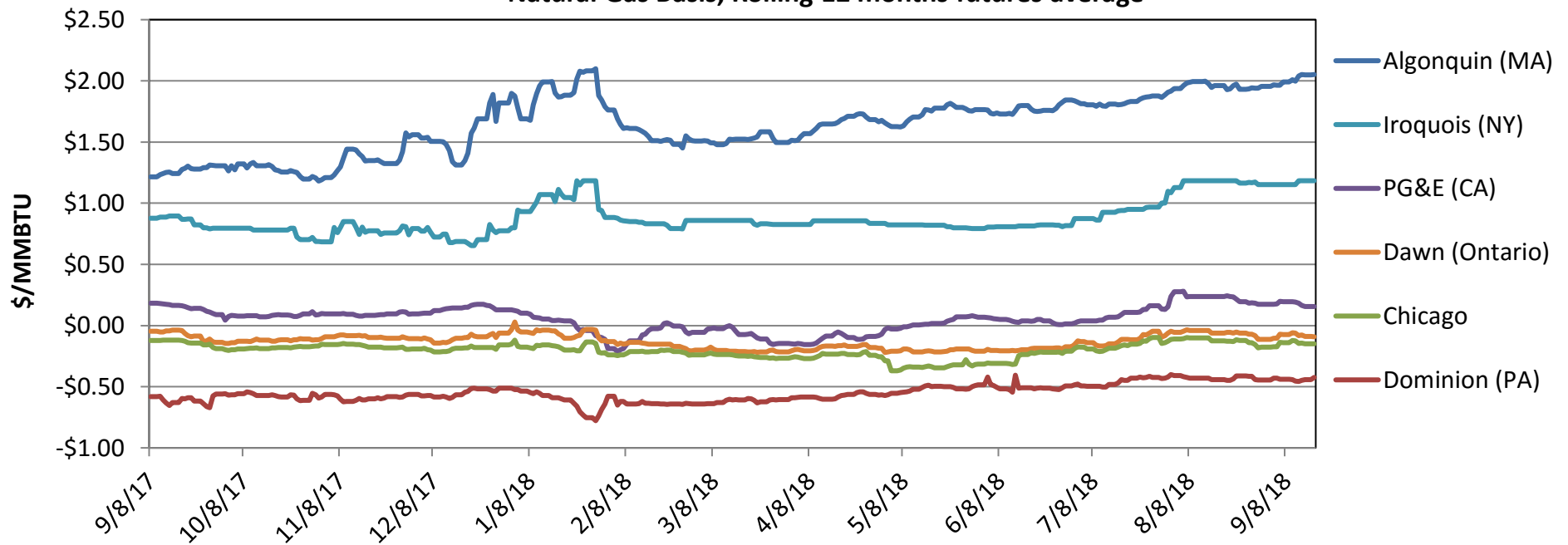
This map depicts forecasted temperatures for next week compared to the long term average. The blue/purple areas are forecast to be colder than normal, white areas are normal, and yellow/orange/red areas are warmer than normal. Abnormally hot weather in the summer and cold weather in the winter can increase the price for natural gas, oil, and electricity.

Source: Chart from the National Weather Service Climate Prediction

Natural Gas Basis Futures

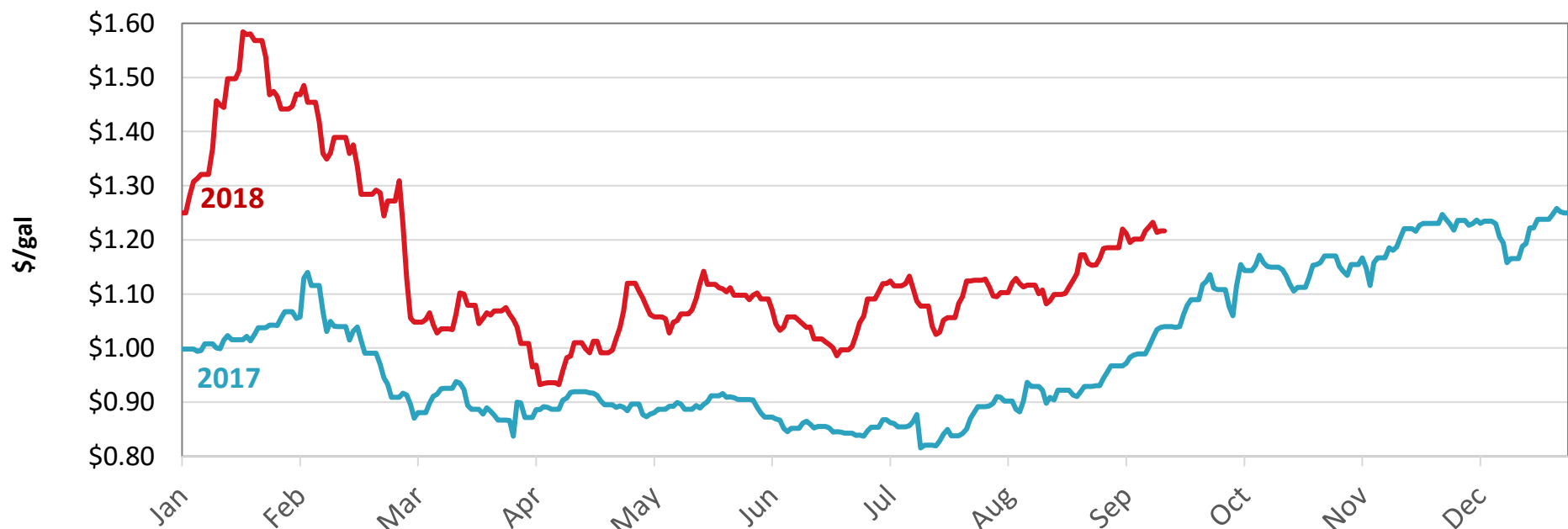
Basis is the price differential between Henry Hub, located in Erath, Louisiana, and the liquidity point closest to the end-user. Because Henry Hub is used as the delivery point for NYMEX natural gas futures contracts, the cost of using natural gas in any geographic region of the country can be approximated by adding the basis price for the appropriate liquidity point to the NYMEX futures contract. Basis prices can be negative (indicating that natural gas at a liquidity point is cheaper than at the Henry Hub) or positive (indicating that natural gas at a different liquidity point is more expensive than at the Henry Hub). Basis prices are a key component of regional electricity and natural gas costs.

Natural Gas Basis, Rolling 12 months futures average



Propane

Spot propane price for Northeast US



Spot Prices

		New England ISO Real Time Power Pricing By Zone (\$/MWh)							Avg	
		9/10/18	9/11/18	9/12/18	9/13/18	9/14/18	9/15/18	9/16/18		
Power (\$/MWh)	Maine RT On Pk	25	20	28	40	47			32	
	Maine RT Off Pk	10	15	20	24	24	39	70	29	
	NH RT On Pk	26	21	28	40	48			32	
	NH RT Off Pk	10	15	20	24	25	40	71	29	
	Vermont RT On Pk	25	20	28	40	48			32	
	Vermont RT Off Pk	10	15	20	24	25	40	71	29	
	Connecticut RT On Pk	25	20	28	40	47			32	
	Connecticut RT Off Pk	10	15	20	24	24	40	71	29	
	Rhode Island RT On Pk	25	20	27	39	47			32	
	Rhode Island RT Off Pk	10	15	20	24	24	39	70	29	
	NE Mass RT On Pk	26	21	28	40	47			32	
	NE Mass RT Off Pk	10	15	20	24	25	40	71	29	
	SE Mass RT On Pk	25	20	28	40	47			32	
	SE Mass RT Off Pk	10	15	20	24	24	39	70	29	
	WC Mass RT On Pk	25	20	28	40	47			32	
	WC Mass RT Off Pk	10	15	20	24	25	40	71	29	
			New York ISO Real Time Power Pricing By Zone (\$/MWh)							Avg
		Capital RT On Pk	21	18	29	47	54			34
		Capital RT Off Pk	15	15	13	22	27	58	81	33
		Central RT On Pk	20	18	31	51	54			35
	Central RT Off Pk	14	15	13	20	26	56	77	31	
	Hudson RT On Pk	22	18	30	48	56			35	
	Hudson RT Off Pk	15	15	13	22	27	58	81	33	
	Mohawk RT On Pk	22	17	29	47	54			34	
	Mohawk RT Off Pk	14	15	13	21	26	57	78	32	
	Milwood RT On Pk	22	19	30	48	56			35	
	Milwood RT Off Pk	15	15	13	22	27	58	81	33	
	NYC RT On Pk	22	19	32	50	56			36	
	NYC RT Off Pk	15	15	14	22	27	59	82	33	
		PJM Real Time Power Pricing By Zone (\$/MWh)							Avg	
	Eastern Hub On Pk	18	19	35	37	37			29	
	Eastern Hub Off Pk	16	17	25	24	24	24	24	22	
	Western Hub On Pk	23	28	46	89	89			55	
	Western Hub Off Pk	18	19	25	38	38	38	38	31	
	PPL Zone On Pk	18	24	36	37	37			31	
	PPL Zone Off Pk	16	17	24	24	24	24	24	22	
	AEP RT On Pk	26	30	42	61	61			44	
	AEP RT Off Pk	19	20	25	25	25	25	25	24	
	Chicago RT On Pk	26	30	41	39	39			35	
	Chicago RT Off Pk	19	18	17	20	20	20	20	19	
	New Jersey Hub On Pk	18	22	35	36	36			30	
	New Jersey Hub Off Pk	16	17	24	24	24	24	24	22	
		California ISO Real Time Power Pricing (\$/MWh)							Avg	
	SoCal Edison RT On Pk	37	28	45	144	63			63	
	SoCal Edison RT Off Pk	29	29	29	32	32	77	56	41	
		9/10/18	9/11/18	9/12/18	9/13/18	9/14/18	9/15/18	9/16/18	Avg	
Natural Gas \$/MMBtu	Henry Hub, LA	2.90	2.94	2.98	2.96	2.91			2.94	
	TZ6, MA	2.75	2.78	2.72	2.70	2.72			2.73	
	Algonquin, MA	2.85	2.85	2.79	2.75	2.67			2.78	
	Chicago Hub, IL	2.59	2.62	2.69	2.75	2.69			2.67	
	New York, NY	2.45	2.37	2.27	2.41	2.26			2.35	
	Dominion South, PA	2.36	2.43	2.24	2.42	2.49			2.39	
	Opal Hub, WY	2.32	2.31	2.25	2.22	2.14			2.25	
	PG&E Citygate, CA	3.11	3.08	3.11	3.03	2.96			3.06	